UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

WINN-DIXIE STORES, INC.,

And BI-LO HOLDINGS, LLC,

Case No. 15-6480

Plaintiffs,

v.

ANSWER AND AFFIRMATIVE DEFENSES OF MUSHROOM ALLIANCE, INC. TO PLAINTIFFS' FIRST AMENDED COMPLAINT

EASTERN MUSHROOM MARKETING COOPERATIVE, INC., et al.

Defendants

Defendants

I. NATURE OF THE ACTION

- 1. Answering Defendant Mushroom Alliance, Inc. ("Mushroom Alliance") admits that Plaintiffs Winn-Dixie Stores, Inc. ("Winn-Dixie") and Bi-Lo Holdings LLC ("Bi-Lo") brought the instant action. After reasonable investigation, Mushroom Alliance is without sufficient knowledge or information to form a belief as to the truth of the allegation regarding whether Plaintiffs Winn-Dixie and Bi-Lo are direct purchasers of mushrooms. All remaining averments in this paragraph are denied.
- 2. Mushroom Alliance is without sufficient knowledge or information to form a belief as to the truth of the allegation regarding the amount annually spent by consumers on mushrooms. All remaining averments in this paragraph are denied.
 - 3. Denied.
 - 4. Denied.
 - 5. Denied.
 - 6. Denied.
 - 7. Denied.

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- a. Denied.
- b. Denied.
- c. Denied.
- d. Denied.
- e. Denied.
- f. Denied.
- 9. It is admitted only that the EMMC held a meeting on January 9, 2001. All remaining averments in this paragraph are denied.
 - 10. Denied.
- 11. It is admitted only that the EMMC purchased certain properties in 2001 that, at some point in time, had been operated at least in part, as mushroom farms. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph, and therefore denies same.
- 12. It is admitted only that the EMMC entered into certain lease options in and around February and August 2002. All remaining averments of this paragraph are denied.
 - 13. Denied.
 - 14. Denied.

II. <u>JURISDICTION AND VENUE</u>

- 15. It is admitted only that this court has subject matter jurisdiction over Plaintiffs' claims. All remaining averments in this paragraph are denied.
 - 16. Denied. Mushroom Alliance specifically denies that it sells mushrooms.

17. It is admitted only that venue is proper in this judicial district. All remaining averments of this paragraph are denied.

III. THE PARTIES

- 18. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 19. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 20. Mushroom Alliance admits only that EMMC is an agricultural cooperative incorporated in the Commonwealth of Pennsylvania, that it is headquartered in Kennett Square, Pennsylvania and that its members are mushroom farmer growers.
- 21. It is admitted only that in 2001, the EMMC had approximately 19 members. All remaining averments of this paragraph are denied.
- 22. 45. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the averments of Paragraphs 22 through 45 and, therefore, denies the same.
- 46. Mushroom Alliance admits only that it is an agricultural cooperative; that it was an EMMC member; that it executed a Membership Agreement; and that a representative of the Mushroom Alliance attended EMMC meetings. All remaining averments of this paragraph are denied. Mushroom Alliance specifically denies that it ever sold any mushrooms.
- 47. It is admitted only that some members of the Mushroom Alliance later joined the EMMC. All remaining averments of this paragraph are denied.
- 48. Mushroom Alliance admits only that Creekside Mushrooms, Ltd ("Creekside") was a member of the Mushroom Alliance. All remaining averments of this paragraph are denied.

- 49. It is admitted only that some members of the Mushroom Alliance later joined the EMMC. All remaining averments of this paragraph are denied.
- 50. Mushroom Alliance admits that the Mushroom Alliance joined the EMMC on or about January 2001 and resigned from the EMMC effective September 1, 2002. All remaining averments of this paragraph are denied.
- 51. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth of the averments of this paragraph and, therefore, all averments are denied.
- 52. Mushroom Alliance admits only that J-M Farms, Inc. was a member of the Mushroom Alliance. All remaining averments of this paragraph are denied.
- 53. It is admitted only that some members of the Mushroom Alliance later joined the EMMC. All remaining averments of this paragraph are denied.
- 54. 63. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the averments of Paragraphs 54 through 63 and, therefore, denies the same.
- 64. It is admitted only that Kitchen Pride Mushrooms, Inc. was a member of the Mushroom Alliance. All remaining averments of this paragraph are denied.
- 65. It is admitted only that some members of the Mushroom Alliance later joined the EMMC. All remaining averments of this paragraph are denied.
 - 66. Denied.

IV. TRADE AND COMMERCE

67. It is admitted only that the vast majority of mushrooms sold in the United States are agaricus mushrooms. It is further admitted that agaricus mushrooms are sold to fresh market retailers such as grocery store chains and food distributors but denied that sales of agaricus

mushrooms to canneries are at the same prices or pursuant to the same market conditions as fresh agaricus mushrooms. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth of the remaining averments of this paragraph.

68. The averments of this paragraph are conclusions of law to which no answer is required. To the extent that said averments are factual in nature, Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth of the remaining averments of this paragraph.

V. DEFENDANTS' ALLEGED ANTICOMPETITIVE CONDUCT

69. Mushroom Alliance admits only that EMMC was formed by various mushroom farmer groups in or around January 2001. The remaining averments of this paragraph are denied.

70. Denied.

- a. It is admitted only that several entities involved in the growing of mushrooms formed the EMMC in or around January 2001. All remaining averments of this paragraph are denied.
 - b. Denied.
 - c. Denied.
 - d. Denied.
 - e. Denied.
- 71. It is admitted only that Plaintiffs named the entities identified in this paragraph as defendants in the instant lawsuit. All remaining averments of this paragraph are denied.
 - a. Denied.
 - b. Denied.

- c. Denied.
- 72. Admitted.
- 73. It is admitted only that the EMMC began operations in and around January 2001. Mushroom Alliance is without knowledge or information sufficient to from a belief as to the truth of the remaining averments contained in this paragraph.
- 74. Mushroom Alliance admits only that the EMMC was formed by various mushroom farmer growers in or around January 2001. The remaining averments of this paragraph are denied.
 - 75. Admitted.
 - 76. Denied.
- 77. It is admitted that a number of growers attended an organization meeting that was held on November 28, 2000 and later, joined the EMMC. The remaining averments of this paragraph are denied.
- 78. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the EMMC membership agreement) the best evidence of which is the writing itself.
 - 79. Denied.
 - 80. Denied.
- 81. Denied. To the extent the averments in Paragraph 81 purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 82. Denied. To the extent the averments in Paragraph 82 purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely

characterized it.

83. Denied. To the extent the averments in Paragraph 83 purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

84. Denied.

85. It is admitted only that EMMC members had voting rights per the membership agreement. All remaining averments of this paragraph are denied.

86. Denied.

87. Denied.

88. Denied.

89. Denied.

90. The averments of this paragraph are conclusions of law to which no answer is required. To the extent that said averments are factual in nature, they are denied. The EMMC's members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.

- 91. It is admitted only that the EMMC membership included certain growers that were vertically integrated. All remaining averments of this paragraph are denied.
- 92. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the January 23, 2001 letter) the best evidence of which is the writing itself.

93. Denied.

94. Denied.

95. Denied.

- 96. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments of this paragraph are denied.
- 97. Denied. The allegations contained in this paragraph purport to quote certain language contained in "meeting minutes." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 98. Denied. The allegations contained in this paragraph purport to quote certain language contained in "membership agreement." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 99. It is admitted only that the EMMC issued a price list relating to various types, grades, sizes and packaging modes of mushrooms in January 2001. The remaining averments of this paragraph are denied. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 100. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
 - 101. Denied. To the extent the allegations in this paragraph purport to characterize

certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- 102. Denied. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 103. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 104. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 105. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 106. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to

characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- 107. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 108. Denied. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 109. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the July 2, 2001 email) the best evidence of which is the writing itself.
- 110. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the July 2, 2001 email) the best evidence of which is the writing itself.
- 111. Denied. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 112. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
 - 113. It is admitted only that the EMMC held a meeting on the date alleged herein.

Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 114. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 115. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 116. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 117. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 118. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 119. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 120. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 121. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 122. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 123. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 124. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 125. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 126. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 127. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 128. It is admitted only that the EMMC held a meeting on the date alleged herein.

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- 129. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 130. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 131. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 132. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 133. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 134. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments in this paragraph are denied.
- 135. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 136. It is admitted only that the EMMC held a meeting on the date alleged herein.

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- 137. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 138. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 139. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments in this paragraph are denied. The allegations contained in this paragraph purport to quote certain language contained in "meeting minutes." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 140. Denied. The allegations contained in this paragraph purport to quote certain language contained in "meeting minutes." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 141. It is admitted only that the EMMC held a meeting on April 9, 2002. All remaining averments are denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and

completely characterized it.

- 142. Denied. The allegations contained in this paragraph purport to quote certain language contained in "current policies." The document lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 143. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 144. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 145. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 146. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 147. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 148. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies

the same.

- 149. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 150. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 151. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 152. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 153. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 154. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 155. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
 - 156. It is admitted only that the EMMC held a meeting on the date alleged herein.

Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 157. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 158. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 159. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 160. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 161. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 162. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 163. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 164. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 165. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 166. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 167. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 168. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 169. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 170. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 171. It is admitted only that the EMMC held a meeting on the date alleged herein.

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- 172. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 173. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 174. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 175. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 176. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 177. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 178. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 179. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 180. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 181. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 182. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 183. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 184. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 185. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 186. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 187. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 188. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
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- 191. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 192. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 193. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 194. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 195. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 196. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 197. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 198. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 199. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 200. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 201. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 202. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 203. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 204. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 205. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 206. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 207. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 208. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 209. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments are denied.
- 210. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments are denied.
 - 211. Denied.
- 212. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 213. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 214. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 215. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 216. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 217. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 218. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 219. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 220. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 221. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments are denied.
- 222. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments are denied.
 - 223. Denied.
- 224. Denied. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- 225. Denied.
- 226. It is admitted only that the EMMC held a meeting on March 12, 2002. All remaining averments of this paragraph are denied. Further, the allegations contained in this paragraph purport to quote from a document, certain "meeting minutes," that lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance deny that Plaintiffs have accurately and completely characterized it.
 - 227. Denied.
- 228. It is admitted only that the EMMC purchased certain parcels of real estate which were not engaged in the growing of mushrooms and/or never likely or able to become engaged or re-engaged in the production of mushrooms. The remaining averments of this paragraph are denied. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
 - 229. Denied.
 - a. Denied.
 - b. It is admitted only that in 2001 and/or 2002, the EMMC sold certain real estate which were not engaged in the growing of mushrooms and/or never likely or able to become engaged or re-engaged in the production of mushrooms with deed restrictions, each of which was subsequently removed by the EMMC. All remaining averments of this paragraph are denied.
 - c. It is admitted only that, in 2002, the EMMC purchased certain lease options on certain real estate which were not engaged in the growing of mushrooms

and/or never likely or able to become engaged or re-engaged in the production of mushrooms. All remaining averments of this paragraph are denied.

- d. It is admitted only that, in 2002, the EMMC filed deed restrictions on certain real estate which were not engaged in the growing of mushrooms and/or never likely or able to become engaged or re-engaged in the production of mushrooms. The deed restrictions were subsequently removed. All remaining averments of this paragraph are denied.
- 230. Denied. The allegations contained in this paragraph rely on and/or purport to quote from an email that lacks authenticity and otherwise constitutes inadmissible hearsay. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the April 21, 2001 email), the best evidence of which is the writing itself.
- 231. Denied. The allegations contained in this paragraph rely on and/or purport to quote from an email that lacks authenticity and otherwise constitutes inadmissible hearsay. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the April 21, 2001 email), the best evidence of which is the writing itself.
- 232. It is admitted only that the EMMC held a meeting on June 5, 2001 and that, as of that date, Gary Schroeder was the EMMC's Treasurer. All remaining averments of this paragraph are denied.
 - 233. Denied.
- 234. It is admitted only that the EMMC held a meeting on April 13, 2001. All remaining averments are of this paragraph are denied.

- 235. It is admitted only that, as of May 23, 2001, John Pia was the EMMC's President. All remaining averments of this paragraph are denied. The allegations contained in this paragraph rely on and/or purport to quote from an email that lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to cite to and characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 236. It is admitted only that, as of May 23, 2001, John Pia was the EMMC's President. All remaining averments of this paragraph are denied. The allegations contained in this paragraph rely on and/or purport to quote from an email that lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 237. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 238. It is admitted only that the EMMC held a meeting on June 5, 2001. All remaining averments of this paragraph are denied.
- 239. Denied. The allegations contained in this paragraph rely on and/or purport to quote from an email that lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 240. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.

- 241. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 242. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 243. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 244. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 245. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 246. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 247. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 248. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 249. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 250. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 251. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 252. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 253. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 254. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 255. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 256. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 257. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 258. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 259. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 260. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 261. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 262. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 263. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 264. It is admitted only that the EMMC held a meeting on June 5, 2001. All remaining averments of this paragraph are denied.
- 265. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 266. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 267. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 268. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 269. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same. Further, the averments of this paragraph rely on and/or purport to quote from an email which lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to and characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- 270. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 271. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 272. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 273. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 274. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 275. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 276. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 277. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 278. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 279. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 280. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 281. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 282. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 283. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 284. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.

- 285. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 286. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 287. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 288. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 289. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 290. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 291. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 292. It is admitted only that the EMMC held a meeting on the date alleged herein.

 Mushroom Alliance is without knowledge or information sufficient to form a belief as to the

- 293. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 294. It is admitted only that the EMMC held a meeting on the date alleged herein. All remaining averments are denied.
- 295. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 296. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 297. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
- 298. It is admitted only that the EMMC held a meeting on the date alleged herein. Mushroom Alliance is without knowledge or information sufficient to form a belief as to the truth or falsity of the remaining averments of this paragraph and, therefore, denies the same.
 - 299. Denied.
- 300. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 301. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (the September 23, 2005 complaint), the best

evidence of which is the writing itself.

- 302. Mushroom Alliance denies the averments of this paragraph to the extent they purport to characterize the contents of a writing (purported John Pia email), the best evidence of which is the writing itself.
- 303. Denied. The averments of this paragraph rely on and purport to quote from certain "meeting notes" that lack authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 304. The paragraph states conclusions of law to which no answer is required. To the extent any of the averments of this paragraph are factual in nature, they are denied. The EMMC members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.
 - 305. Denied.
- 306. It is admitted only that the EMMC purchased certain properties and entered into certain lease options. All remaining averments of this paragraph are denied.
- 307. The averments contained in this paragraph constitute conclusions of law to which no answer is required. To the extent any of the averments of this paragraph are factual in nature, they are denied. Further, the EMMC members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.
 - 308. Denied.
- 309. It is admitted only that growers sometimes buy, sell or transfer mushrooms to each other. All remaining averments of this paragraph are denied.

- 310. The averments in this paragraph constitute conclusions of law to which no response is required. To the extent any of the averments are factual in nature, they are denied.
- 311. It is admitted only that the EMMC held a meeting in January 2002. All remaining averments of this paragraph are denied. Further, the averments contained of this paragraph rely on and/or purport to quote from document(s) that lack authenticity and otherwise constitute inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- 312. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 313. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 314. Mushroom Alliance is without information or knowledge sufficient to form a belief as to the truth or falsity of the averments of this paragraph and, therefore, denies the same.
- 315. It is admitted only that the United States Department of Justice filed a complaint against the EMMC on or about December 16, 2004 styled *United States of America v. Eastern Mushroom Marketing Cooperative, Inc.*, Civil Case No. 2:04-CV-S 829. All remaining averments of this paragraph are denied.
- 316. It is admitted only that the United States and the EMMC filed a proposed Final Judgment that was subsequently entered on September 9, 2005. It is specifically denied that the EMMC "shut down" any properties at any time pertinent hereto. All remaining averments of this paragraph are denied.
 - 317. Denied. The averments contained in this paragraph purport to quote from a

document with lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- 318. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
 - a. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
 - b. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
 - c. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- d. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- e. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- f. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- g. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
 - a. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph

purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

- b. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- c. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to quote/cite to and characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- d. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to quote/cite to and characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.
- h. Denied. The averments contained in this paragraph purport to quote from a document which speaks for itself, lacks authenticity and otherwise constitutes inadmissible hearsay. To the extent the allegations in this paragraph purport to characterize certain documents, Mushroom Alliance denies that Plaintiffs have accurately and completely characterized it.

319. It is admitted only that none of the documents filed by the DOJ in support of the Final Judgement identify any of the members of the EMMC. This paragraph also states conclusions of law to which no response is required. To the extent any of the averments of this paragraph are factual in nature, said averments are denied.

VI. ALLEGED FRAUDULENT CONCEALMENT AND TOLLING

- 320. Denied.
- 321. Denied.
 - a. Denied.
 - b. Denied.
 - c. Denied.
 - d. Denied.
 - e. Denied.
- 322. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
- 323. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
- 324. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
- 325. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are

denied.

- 326. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
- 327. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
- 328. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.

VII. ALLEGED CAUSES OF ACTION

COUNT I

Alleged Violation of Sherman Act § I – Anticompetitive Conspiracy

- 329. Mushroom Alliance incorporates by reference herein all of the foregoing responses as though fully set forth at length.
 - 330. Denied.
- 331. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
 - 332. Denied.
 - a. Denied.
 - b. Denied.
 - c. Denied.

- d. Denied.
- e. Denied.
- f. Denied.
- 333. This paragraph states conclusions of law to which no answer is required. To the extent that any of the averments of this paragraph are factual in nature, said averments are denied.
- 334. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied. Further, the EMMC's members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.
- 335. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied. Further, the EMMC's members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.
- 336. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied. Further, the EMMC's members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.
 - 337. Denied.
 - 338. Denied.

COUNT II

Alleged Violation of Sherman Act § 2 – Conspiracy to Monopolize, Monopolization, or <u>Attempted Monopolization</u>

- 339. Mushroom Alliance incorporates by reference herein all of the foregoing responses as though fully set forth at length.
 - 340. Denied.
- 341. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - a. This paragraph states conclusions of law to which no response is required.
 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - b. This paragraph states conclusions of law to which no response is required.
 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - c. This paragraph states conclusions of law to which no response is required.
 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - d. This paragraph states conclusions of law to which no response is required.

 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - e. This paragraph states conclusions of law to which no response is required.

 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.

- f. This paragraph states conclusions of law to which no response is required.

 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
- g. This paragraph states conclusions of law to which no response is required.

 To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
- 342. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - 343. Denied.
- 344. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied. Further, the EMMC's members retained counsel to assist with the formation of the EMMC to ensure that it would be entitled to all of the antitrust protections afforded under the Capper-Volstead Act.
 - 345. Denied.

COUNT III

Alleged violation of Clayton Act § 7 – Unlawful Acquisition

- 346. Mushroom Alliance incorporates by reference herein all of the foregoing responses as though fully set forth at length.
- 347. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.

- 348. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
- 349. This paragraph states conclusions of law to which no response is required. To the extent that some of the averments of this paragraph are factual in nature, said averments are denied.
 - 350. Denied.

REQUEST FOR RELIEF

WHEREFORE, Mushroom Alliance respectfully request that Plaintiffs' First Amended Complaint be dismissed with prejudice and for an award of costs of suit, including attorneys fees and expert witness fees and for such other relief as the Court deems just and proper.

AFFIRMATIVE DEFENSES

- 351. Plaintiffs' First Amended Complaint, in whole or in part, fails to state claims upon which relief may be granted.
- 352. Some or all of Plaintiffs' claims for money damages and/or equitable relief are barred by the statute of limitations and there are no grounds for tolling the applicable statute of limitations.
- 353. Plaintiffs' claims are barred in whole or in part by Section 6 of the Clayton Act, 15 U.S.C. §17.
- 354. Plaintiffs' claims are barred in whole or in part by the Capper Volstead Act, 7 U.S.C. §291.
 - 355. Plaintiffs are barred from any recovery because defendants actions were

privileged, did not unreasonably restrain trade, and were based on independent and legitimate business justifications.

- 356. "Naked" price fixing by an agricultural cooperative is allowed by Section 6 of the Clayton Act, 15 U.S.C. §17, and the Capper Volstead Act, 7 U.S.C. §291.
- 357. All members of the EMMC were farms within the meaning of the Capper Volstead Act, 7 U.S.C. §291 and the Clayton Act, 15 U.S.C. §17.
- 358. Integrated grower/processors are protected from antitrust liability by Section 6 of the Clayton Act, 15 U.S.C. §17, and the Capper Volstead Act. 7. U.S.C. §291.
- 359. Some or all of Plaintiffs' claims are barred because Plaintiffs have not suffered antitrust injuries.
 - 360. Plaintiffs' claims are barred in whole or in part for lack of antitrust standing.
- 361. Plaintiffs' conspiracy claims are precluded by the Capper Volstead Act and the *Copperweld* Doctrine.
 - 362. There was no conspiracy between EMMC members and nonmember distributors.
- 363. There was no unity of purpose between EMMC and the property sellers or purchasers.
 - 364. Plaintiffs have not pleaded and cannot prove the requisite product market.
 - 365. Plaintiffs have not pleaded and cannot prove the requisite geographic market.
 - 366. There was no specific intent to monopolize.
 - 367. There was no dangerous probability of achieving monopoly power.
- 368. Plaintiffs cannot recover under Section 7 of the Clayton Act, 15 U.S.C. §18, any against defendant(s) who did not acquire the assets.
 - 369. Plaintiffs' claims for damages are barred because the EMMC's acquisition of real

properties had no impact on the prices that Plaintiffs paid.

- 370. There was no causal connection between the alleged conduct and any increased prices.
 - 371. Plaintiffs have failed to adequately allege fraudulent concealment.
- 372. The actions complained of such as buying properties at a widely publicized auction, open to the public, and filing deed restrictions of public record were not and could not conceivably be acts of concealment.
- 373. Plaintiffs' alleged claims are barred in whole or in part because the members of the EMMC cannot conspire with each other or with their commonly owned companies as a matter of law.
 - 374. The First Amended Complaint fails to state any basis for injunctive relief.
- 375. Plaintiffs' claims are barred in whole or in part because the impact and damages alleged are too speculative and remote.
- 376. Plaintiffs' claims are barred in whole or in part because they have failed to mitigate any damages allegedly suffered as a result of the alleged conduct.
- 377. To the extent that Plaintiffs paid any increased price for mushrooms, said increased price was caused by third parties and/or events and not by Mushroom Alliance's conduct.
- 378. Mushroom Alliance's conduct was not the cause of any increase in the price of mushrooms.
 - 379. Plaintiffs' purchasing decisions were not based on the price of mushrooms.
 - 380. Plaintiffs' supply-control claim is subject to the rule of reason.
 - 381. Plaintiffs' price-fixing claim is subject to the rule of reason.

382. Plaintiffs lack standing to prosecute these claims.

383. Mushroom Alliance's conduct was privileged.

384. Plaintiff Winn-Dixie Stores, Inc. was not a direct purchaser of mushrooms at any

time pertinent hereto.

385. Plaintiff Bi-Lo Holdings, LLC was not a direct purchaser of mushrooms at any

time pertinent hereto.

Mushroom Alliance adopts by reference any defense not otherwise expressly set 386.

forth herein that is pleaded by any other defendant in this action.

387. Mushroom Alliance reserve the right to assert any additional defenses revealed

through discovery or other investigation.

WHEREFORE, Mushroom Alliance respectfully request that Plaintiffs' First Amended

Complaint be dismissed with prejudice, an award of costs of suit, including attorneys fees and

expert witness fees, and for such other and further relief as this Court deems just and proper.

JURY TRIAL DEMAND

PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 38, MUSHROOM

ALLIANCE HEREBY DEMAND A TRIAL BY JURY ON ALL CLAIMS SO TRIABLE.

Dated: July 12, 2019

/s/ Matthew J. Borger

Matthew J. Borger

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CERTIFICATE OF SERVICE

The undersigned certifies that on this 12th day of July 2019, he caused the foregoing submission to be served via the Court's ECF system upon all counsel of record.

/s/ Matthew J. Borger
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